

YUMA AUXILIARY RECLAMATION PROJECT, ARIZONA

JANUARY 26, 1925.—Committed to the committee of the Whole House on the state of the Union and ordered to be printed

Mr. HAYDEN, from the Committee on Irrigation and Reclamation, submitted the following

REPORT

[To accompany H. R. 10279]

The Committee on Irrigation and Reclamation, to whom was referred the bill (H. R. 10279) for the completion of first Mesa division of the Yuma auxiliary reclamation project, Arizona, and for other purposes, having considered the same, report favorably thereon with the recommendation that the bill do pass with the following amendments:

Line 5, page 1, after the figures "\$200,000" insert the following: "to be paid out of the reclamation fund established by the act of June 17, 1902 (Thirty-second Statutes, page 388)."

Line 8, page 2, strike out "Sec. 2" and insert in lieu thereof the words "*Provided further.*"

Line 21, page 2, strike out the word "Act" and insert in lieu thereof the word "proviso."

Line 23, page 2, strike out "Sec. 3" and insert in lieu thereof the words "*And provided further.*"

The bill was referred to the Department of the Interior for report, and its enactment is recommended in the following letter:

DEPARTMENT OF THE INTERIOR,
Washington, January 5, 1925.

HON. ADDISON T. SMITH,
*Chairman Committee on Irrigation and Reclamation,
House of Representatives.*

MY DEAR MR. SMITH: Receipt is acknowledged of your letter of December 13, 1924, transmitting copy of H. R. 10279, requesting the views of the department on the proposed legislation.

The proposed measure is entitled, "A bill for the completion of first Mesa division of the Yuma auxiliary reclamation project, Arizona, and for other purposes."

This bill is designed to provide sufficient funds with which to complete the first unit of the so-called Mesa project and to ameliorate the terms of payment

prescribed in the original act. Under the terms of the original law payment for the land and water right was to be made 25 per cent immediately upon execution of contract and the remaining 75 per cent in three equal annual installments with interest at 6 per cent per annum on deferred payments. The funds thus far provided have been entirely advanced by the contract holders, no appropriation having been made by Congress to aid in the construction or operation and maintenance of the unit.

Some of the contract holders have been unable to complete payments, from which it follows that there is a dearth of funds with which to complete construction of the necessary works and to operate and maintain the completed works. The operations thus far conducted serve to confirm the belief that the unit possesses great possibilities. It is now proposed that there be advanced from the reclamation fund the sum mentioned, and that all money received by the United States in payment for land and water rights, beginning one year from the date this act becomes effective, shall be covered into the reclamation fund until the sum thus advanced is fully paid.

Provision is made in the bill that payments on land and water-right contracts hereafter executed shall be made in 10 equal annual installments, with interest on deferred payments at the rate of 6 per cent per annum, payable annually, with authority given to the Secretary of the Interior to amend uncompleted contracts so that the unpaid balance shall be paid in 10 equal annual installments.

Section 3 provides for the sale of lands undisposed of, either at public auction or private sale, at not less than \$25 per acre for the land and \$200 per acre for the water rights.

I am advised by the Director of the Bureau of the Budget that the bill will not conflict with the financial program of the President if modified to authorize the use of the reclamation fund in the sum of \$200,000 instead of the general fund of the Treasury. I recommend the passage of the bill so modified.

Sincerely yours,

HUBERT WORK, *Secretary.*

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